

The Honorable John C. Coughenour

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

NORTHWEST GROCERY
ASSOCIATION, an Oregon non-profit
organization, the WASHINGTON FOOD
INDUSTRY ASSOCIATION, a
Washington non-profit corporation,

Plaintiffs,

v.

CITY OF SEATTLE, a charter municipality,

Defendant.

No. 2:21-cv-00142-JCC

DECLARATION OF MICHAEL
SANDBERG IN SUPORT OF
PLAINTIFFS' MOTION FOR
PRELIMINARY INJUNCTION

I, Michael Sandberg, declare and state as follows:

1. I am the Owner and Operator of the Grocery Outlet located 3020 NE 127th St, Seattle, Washington, known as the Lake City Store. I have held this position for approximately four years, and am competent to make this declaration based on my personal knowledge and information I have learned through my position.

2. Grocery Outlet stores are grocery stores that offer discounted, overstocked, and closeout products from name brand and private label suppliers, as well as fresh bread, meat, and dairy. Our stores are small relative to others in our industry, but just over the 10,000 square foot minimum listed as a qualifying store. The Lake City Grocery Outlet is 12,500 square feet. Other Grocery Outlets are of similar size. Grocery Outlets have a unique business model, but I

DECLARATION OF MICHAEL SANDBERG IN SUPPORT OF PLAINTIFFS'
MOTION FOR PRELIMINARY INJUNCTION - 1
(2:21cv-00142-JCC)

sf-4427065

STOEL RIVES LLP
ATTORNEYS
600 University Street, Suite 3600, Seattle, WA 98101
Telephone 206.624.0900

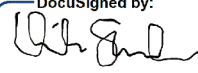
1 understand that it would be subject to the Seattle Hazard Pay for Grocery Employees Ordinance
2 (the "Ordinance").

3 3. The Lake City Grocery Outlet schedules approximately 660 hours per week. It
4 have twenty-two (22) employees with an average of 30 hours per employee per week. The
5 hazard pay increase of four dollars will cost the Lake City Store an additional \$10,000 per month
6 in labor costs. The store does not make nearly that much on a monthly basis. Paying the
7 mandatory hazard pay will cause the Lake City Store to go into the red.

8 4. As I understand it, stores cannot reduce employee compensation because of the
9 increased costs imposed by the Ordinance. This ordinance will cause the store to operate at a
10 negative cash flow that cannot be sustained.

11 5. I declare under penalty of perjury under the laws of the United States of America
12 and the State of Washington that the foregoing is true and correct.

13
14 SIGNED this 11th day of February, 2021.

DocuSigned by:

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DECLARATION OF MICHAEL SANDBERG IN SUPPORT OF PLAINTIFFS'
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CERTIFICATE OF SERVICE

I declare that I am employed with the law firm of Morrison & Foerster LLP, whose address is 425 Market Street, San Francisco, California 94105-2482. I am not a party to the within cause, and I am over the age of eighteen years.

I further declare that on February 11, 2021, I served a copy of:

**DECLARATION OF MICHAEL SANDBERG IN SUPPORT
OF PLAINTIFFS' MOTION FOR PRELIMINARY
INJUNCTION**

BY ELECTRONIC SERVICE [Fed. Rule Civ. Proc. rule 5(b)] by electronically mailing a true and correct copy through Morrison & Foerster LLP's electronic mail system to the e-mail address(es) set forth below, or as stated on the attached service list per agreement in accordance with Federal Rules of Civil Procedure rule 5(b).

City of Seattle
Monica Martinez Simmons, MMC
City Clerk
600 4th Ave., 3rd Floor
Seattle, Washington 98104
LAW_Service@seattle.gov

I declare under penalty of perjury that the foregoing is true and correct.

Executed at Chicago, Illinois, this 11th day of February, 2021.

Kristin M. Marttila
(typed)

/s/ Kristin M. Marttila
(signature)

DECLARATION OF MICHAEL SANDBERG IN SUPPORT OF PLAINTIFFS'
MOTION FOR PRELIMINARY INJUNCTION - 3
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